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ARIZONA DEPARTMENT OF ECONOMIC SECURITY

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Jane Dee Hull  
Governor

John L. Clayton  
Director

August 29, 2001

**WORKFORCE DEVELOPMENT MEMO #10-01**

**SUBJECT:** Use of Supplemental Data by Eligible Training Providers (ETPs) Recertifying Programs to the Eligible Training Provider List (ETPL)

**Reference:** P.L. 105-220 Workforce Investment Act of 1998, Section 122(d)(1)(A)(i)(II) and (III), and (d)(1)(A)(ii)(I)(II)(III); 20 CFR Part 652 et al., WIA Final Rules dated August 11, 2000, Section 663.540(a)(1)(i) and (ii); 20 U.S.C. Family Educational Rights and Privacy Act (FERPA), Section 1232(g)(b)(1)(C) and (D)

**BACKGROUND:** The process of recertifying training programs listed on the ETPL each year, generally requires providers to submit certain data on each student to either the state Workforce Development Administration (all private, post-secondary providers) or to the Maricopa Community Colleges district office (all community and other public colleges). This data is matched to the state Unemployment Insurance (UI) wage records and returned to training providers in aggregated form as authorized under FERPA. The aggregated data is then used to complete the appropriate recertification section(s) on an ETP application for each training program. This information is submitted by providers to their Local Workforce Investment Boards (LWIBs) for review. The LWIBs then notify the Arizona Department of Education of their recommendation to retain or remove training programs from the ETPL.

The enclosed *Student Data Spreadsheet Format* illustrates the student data elements, which training providers currently submit to the Workforce Development Administration (WDA) or to the Maricopa Community Colleges district office for matching to the UI records. During the state's process of matching and aggregating this student data, there are occasions when students are not found in the UI wage records, but are, in fact, employed. This may occur if a student is self-employed, if the employer is located out-of-state, or if the employer is categorized as one who is exempt from UI reporting. In such instances, training providers who maintain their own records of student employment and wages, may wish to use their data to "supplement" the state's aggregated UI data which training providers submit to their LWIBs during the recertification process. **Supplemental data, then, is aggregated data developed from training providers' student records, and submitted to the LWIBs to account for the employment of those students who may not be found in UI wage records.**

For **accredited training providers**, supplemental data refers to documentation that meets the criteria set forth by a training provider's accrediting agency for use in verifying students' employment and wages. For **non-accredited training providers**, supplemental data may include W-2 forms, employer-generated pay stubs, Internal Revenue Service (IRS) 1099 Forms, or tax forms submitted to either the Arizona State Department of Revenue or the IRS (applicable to students who become self-employed). Other forms of supplemental data may be acceptable, if a training provider obtains written approval for their use from its LWIB. **All supplemental data is subject to verification by the state Department of Education.**

**ACTION REQUIRED:** Training providers using supplemental data must:

- (1) Submit the data to their LWIBs in aggregated form only, using the "Recertification – Supplemental Data Form" enclosed.  
**Note: If a training provider is submitting Aggregated Supplemental data (via the Recertification-Supplemental Data Form) and Aggregated UI Data (via the Recertification Section(s) of the ETP application) for the same training program, the two submittals must be made simultaneously to expedite the program's recertification process.**
- (2) Ensure that all supplemental data submitted is applicable for students enrolled into training within the appropriate Cohort Year as specified by the state.
- (3) Be able to verify approval for use of their supplemental data sources when called upon to do so by the state Department of Education.

Please distribute this memo and its enclosures to all training providers currently approved to the ETPL by your LWIB, as well as any training providers in your local area interested in the ETP process. Also, make sure all staff affiliated with the LWIB, as well as those responsible for administering the ETP process, receive copies of this information.

If you have questions, please contact Ms. Pat Gregan, Policy Specialist or your Quality Assurance Liaison at (602) 542-3957.

Sincerely,



Stan Flowers  
Acting Deputy Program Administrator  
Workforce Development Administration

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Attachments (2)

## RECERTIFICATION - ELIGIBLE TRAINING PROVIDER SUPPLEMENTAL STUDENT DATA FORM

NOTE: The information provided on this form is based upon training provider records only and is intended to supplement student employment and wage information found in the state Unemployment Insurance (UI) wage records for the reporting period specified. All information contained herein is subject to verification by the state Department of Education.

**Training Provider** \_\_\_\_\_

**Campus Location** \_\_\_\_\_

**Program ID #** \_\_\_\_\_ **\*Cohort Year** \_\_\_\_\_

Student Universe: Total Number of <u>All</u> Students Enrolled in the Program of Training in the Cohort Year	
Program Completion: Percentage of All Students Enrolled Who <u>Completed the Program of Training</u> in the Cohort Year	%
Employment: Percentage of All Students Enrolled <u>Who Completed the Program of Training and Obtained Unsubsidized Employment</u> in the Cohort Year (Unsubsidized Employment = Employment for wages not supplemented by other sources)	%
Employment: Percentage of <u>All</u> Students Enrolled ( <u>Completers + Noncompleters</u> ) Who Obtained Unsubsidized Employment in the Cohort Year	%
Related Employment: Percentage of All Students Enrolled <u>Who Completed the Program of Training</u> and Obtained Unsubsidized Employment in an Occupation Related to the Program of Training in the Cohort Year	%
Average Hourly Wage: The Average Hourly Wage at Placement for <u>All</u> Students in the Program of Training <b>IMPORTANT:</b> The average hourly wage is determined using the following formula: The Average of <u>All</u> Students' Qrtly Gross Wages for the Two Quarters <u>following</u> the Cohort Year <b>divided by</b> 520 Hours	\$

\*The Cohort Year used for recertifying training programs varies with each WIA Program Year as follows:

WIA Program Year / Effective Dates for Training Program Certification to the ETPL	Cohort Year from Which Student Data Is Submitted
July 1, 2001 through June 30, 2002	July 1, 1999 through June 30, 2000
July 1, 2002 through June 30, 2003	July 1, 2000 through June 30, 2001
July 1, 2003 through June 30, 2004	July 1, 2001 through June 30, 2002
July 1, 2004 through June 30, 2005	July 1, 2002 through June 30, 2003